

DAILY BULLETIN

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POLICE, LAWMAKERS TARGETING HUMAN TRAFFICKING WORLDWIDE

U.S. State Department annual report cites progress in fight against trafficking

By Charlene Porter
Washington File Staff Writer

Washington -- More nations around the world are enacting laws to prevent human trafficking and prosecuting people who engage in this form of 21st century slavery, according to Trafficking in Persons Report released by the U.S. State Department June 5.

The world's most comprehensive survey on human-trafficking activities found that courts handed down more than 4,700 convictions for trafficking-related crimes in 2005, increasing from about 3,000 the year before.

Director of the Office to Monitor and Combat Trafficking in Persons John Miller interprets the increase as a sign of progress against these human rights crimes.

"We know that 41 governments passed new trafficking-in-persons legislation," said Miller who detailed the report at a State Department briefing. "That's a good sign too."

Miller also focused particular attention on the positive actions taken by determined governments. He cited Malawi, for instance, which rose to the top ranking in the 2006 report, indicating that the government of this sub-Saharan African nation has met international stan-

dards for contending with trafficking and is vigorously addressing the problem.

“Fifteen convictions of traffickers, countrywide programs to alert people, [Malawi is] really stepping up,” said Miller, “a tropical African country with limited resources moving into Tier 1.”

Compiled annually by law, the report concludes that about 800,000 persons were coerced into a human trafficking scheme over the last year, about the same number estimated in the 2005 report. That said, officials freely acknowledge that numbers are always uncertain in a shadowy underground activity such as trafficking.

“Slaves don’t stand in line and raise their hands to be counted,” Miller said.

THE RANKINGS

More countries – 149 -- are included in the sixth annual report than in any prior report. Countries are omitted only for a lack of reliable information, and not because human trafficking does not occur within their borders. Whether a nation supplies the victims, or creates the demand that motivates their trafficking, experts say all the world’s nations are involved in this 21st century form of slavery.

The report places nations in one of four categories based on their efforts to control human trafficking, prosecute those involved, and support and assist victims of these crimes.

Countries doing the best job are in Tier 1. Tier 2 comprises countries that are demonstrating commitment to address their problems but have not yet achieved international standards. Tier 2 “Watch List” includes countries that show signs of falling backwards, but Miller says that “W” also stands for “worry” and “warning.”

Four major nations are on the “watch list” for at least the second year in a row – China, India, Mexico and Russia.

“This has to be a source of concern,” Miller said, predicting that the four nations could well slip to the least favorable rating, Tier 3, by 2007.

Twelve nations are ranked in the Tier 3 category in the 2006 assessment. They are Belize, Burma, Cuba, Iran, Laos, North Korea, Saudi Arabia, Sudan, Syria, Uzbekistan, Venezuela and Zimbabwe.

Fourteen countries were cast in the lowest ranking in 2005. After the release of the report, U.S. law allows 90 days for governments to demonstrate some action toward addressing their problems. If they do not, sanctions on nonhumanitarian U.S. economic assistance may be imposed.

SLAVE LABOR

The 2006 report focuses more attention than previous editions on slave-labor practices that begin with a legal employment recruitment.

Global economic forces have caused significant waves of labor migration, involving as many as 120 million people, according to the International Labor Organization, as quoted in the report.

The report finds no inherent fault with the transcontinental movement of workers in the laws of supply and demand, but cautions that, in practice, abuses occur. Foreign workers lacking communication skills, knowledge of the society or a social support system too easily are exploited, according to the report.

“When protections and regulations are insufficient to deter abuses, unscrupulous employers look for the most vulnerable groups of foreign workers to prey on and exploit,” according to the report.

The U.S. Congress ordered the State Department to apply greater scrutiny to the forced labor issue, and the report says that focus will be maintained in the year ahead.

India has been placed on the Tier 2 Watch list, Miller said, because of its bonded labor practices, that is, when a family is indebted to an employer generation after generation. He estimated that hundreds of thousands of Indians are victims of that form of slavery.

THE GOALS

Secretary of State Condoleezza Rice spoke briefly to introduce the report, calling the defeat of human trafficking “the great moral calling of our time.” She said the United States has distributed \$400 million in assistance to other nations in recent years, helping them improve systems to combat human trafficking and provide more support for victims.

“All nations that are resolute in the fight to end human trafficking have a partner in the United States,” Rice

said. "Together we will continue to affirm that no human life can be devalued or discounted. Together we will stop at nothing to end the debasement of our fellow men and women."

For additional information, see Human Trafficking: http://usinfo.state.gov/gi/global_issues/human_trafficking.html

TOP OFFICIALS MEETING ON BIRD FLU STRATEGY IN VIENNA

Two-day meeting will plan for avian influenza containment

Washington -- A high-level meeting of officials involved in the International Partnership on Avian and Pandemic Influenza is being held in Vienna, Austria, June 6-7.

The government of Austria, on behalf of the European Union, hosts the meeting jointly with the United States.

The conference will involve experts in animal and human health from governments and major international organizations who are playing an important role in fighting the avian influenza pandemic, which has resulted in the deaths of more than 200 million birds through disease or destruction.

The highly pathogenic avian influenza virus H5N1 causing this more than two-year-old plague among animals is also capable of infecting humans; 127 known human deaths have been attributed the disease, according to the World Health Organization. Humans have no immunity to this viral strain, so experts fear H5N1 could form the seed of global pandemic influenza.

The Vienna meeting will review global progress in pandemic preparedness and response, examine the status of donor funding, pursue action for greater transparency in reporting of disease, and explore progress on drug and vaccine development, according to a statement issued by the U.S. Department of State.

The Austrian Foreign Ministry added that there will be a review of the finances of this international campaign.

At a January meeting in Beijing, donor governments pledged about \$2 billion to help lesser-developed nations improve animal and human health systems in order to avert pandemic.

The declaration approved at that meeting committed nations to a long-term partnership to assist countries most at risk, with a first priority of helping countries contain, control and eliminate the virus in affected poultry.

Under Secretary for Democracy and Global Affairs Paula Dobriansky heads the U.S. delegation, accompanied by representatives from U.S. health, agriculture and international development agencies.

President Bush announced the International Partnership on Avian and Pandemic Influenza during the U.N. General Assembly in September 2005.

Its goals are to:

- Elevate the avian influenza issue on national agendas;
- Coordinate efforts among donor and affected nations;
- Mobilize and leverage resources;
- Increase transparency in disease reporting and the quality of surveillance; and
- Build local capacity to identify, contain and respond to an influenza pandemic.

The full text of the declaration adopted at the international donors' conference in Beijing is available on the Web site of the Austrian Foreign Ministry.

For ongoing coverage of the disease and efforts to combat it, see Bird Flu (Avian Influenza): http://usinfo.state.gov/gi/global_issues/bird_flu.html

AUTOS, RICE AMONG TOUGH ISSUES AS U.S.-KOREA TRADE TALKS START

U.S. negotiator criticizes Korean announcement on medical reimbursements

By Bruce Odessey
Washington File Staff Writer

Washington -- Agriculture and auto trade will be among the toughest issues in U.S.-Korea free-trade agreement (FTA) negotiations, the lead U.S. negotiator says.

"Agriculture is going to be a difficult issue in these negotiations," Wendy Cutler, assistant U.S. trade representative, said in a June 5 teleconference with reporters. "Achieving increased access for U.S. car companies in Korea is going to present challenges as well."

Cutler made the remarks at the start of the first round of negotiations, scheduled June 5-10 in Washington. The next round is scheduled for July 10-14 in Seoul. Cutler said the first round should clear away the easiest issues and identify those requiring more attention.

She expressed optimism that the two sides would achieve a good agreement, in part because they prepared extensively for negotiations in 2005. The aim is to conclude by the end of 2006, well before the mid-2007 expiration of U.S. trade negotiating authority.

"The political will is clearly there on both sides," Cutler said, "and there's bipartisan support in both countries for the FTA."

She acknowledged opposition to an FTA, however, as Korean farmers protested loudly on a Washington street just outside the site of negotiations.

U.S. farmers want completely free trade in rice, requiring removal of Korean quotas that are now in place through 2014. They also want Korea to eliminate what they view as unnecessary and unscientific health and safety regulations on agricultural imports and to drop what U.S. farmers call unnecessary restrictions on perishable imports.

Cutler said the United States expects Korea will soon re-open its market to U.S. boneless beef, currently shut out because concerns about bovine spongiform encephalopathy (BSE) or mad cow disease. "And we made it very clear to the Koreans that, even once the market is open to boneless, we are going to be urging them without skip-

ping a beat to further open their market" to cover other U.S. beef products, she said.

U.S. automakers want better access to the Korean market. In 2005, Korea imported only about 31,000 foreign-made autos, including about 5,800 made in the United States, while exporting 730,000 autos to the United States. Among the barriers cited by U.S. automakers are Korea's 8 percent tariff on auto imports, a domestic sales tax applied to the full price of autos including tariffs, and taxes based on engine size, which are a disadvantage to the larger U.S.-made autos.

The two sides have organized 17 negotiating groups plus two more special working groups, one on auto-sector issues and one on pharmaceuticals and medical devices. Regarding the latter concern, Cutler criticized a "very unhelpful announcement made by the Ministry of Health and Welfare a few weeks ago about its plans to move to what is called a positive list of reimbursement pricing for pharmaceuticals."

What the Korean ministry proposed May 3 would depart from an approach that now automatically authorizes government reimbursement for medicines and medical devices unless the government specifically excludes them from a list of products. The proposed switch would require government approval for reimbursing any new medicine or device, potentially giving advantage to generic drugs made by Korean companies over innovative treatments coming mostly from the United States, Europe and Japan.

"We made it clear to the Koreans that in the FTA negotiations we're not interested in getting back to the status quo," Cutler said. "We're really looking for improvements, and that really holds for the pharmaceutical sector."

In remarks to the Korea Importers Association in Seoul on June 2, U.S. Ambassador Alexander Vershbow described the FTA as "one of the most important developments in U.S.-Korea relations in the 52 years since the signing of our Mutual Defense Treaty."

Citing the lack of an institutional framework for U.S.-Korean commerce, Vershbow said, "I think a Free Trade Agreement will help to fill this vacuum, by letting our two countries reach a mutual consensus regarding the mutual obligations and responsibilities in our trading relationship, just as the Mutual Defense Treaty fulfilled this role for our security alliance."

The full text of Vershbow's speech is available on the Web site of the U.S. Embassy in Korea: http://seoul.usembassy.gov/us_korea_free_trade_agreement.html

For additional information on U.S. policy, see Trade and Economics:
<http://usinfo.state.gov/ei/>

BUSH ADMINISTRATION DEEPLY COMMITTED TO AFRICAN ECONOMIC GROWTH

U.S. Deputy Trade Representative Bhatia assesses Africa trade program

By Charles W. Corey
Washington File Staff Writer

Washington -- The meetings associated with the annual African Growth and Opportunity Act (AGOA) Forum provide the Bush administration with the chance to further enhance its "deep commitment to and involvement in furthering economic growth and development all across Africa."

Ambassador Karan K. Bhatia, deputy U.S. Trade Representative, made that point June 5 at the AGOA Private Sector Forum. The one-day event was held to coincide with the fifth African Growth and Opportunity Act Forum, June 6-7, that has as its theme "The Private Sector and Trade, Powering Africa's Growth." A separate civil society AGOA forum is scheduled to take place as well.

Bhatia said the many meetings held in association with the forum also allow Bush administration officials to interact with African government officials, business people and investors to "take stock of what we have accomplished and where we are going" in trying to make AGOA even more of a catalyst for enhanced and expanded U.S.-Africa trade.

AGOA provides duty-free access to more than 6,400 items -- including textile products -- into the U.S. market for African nations willing to reform their economies along free-market lines. The landmark trade legislation -- the first of its kind with Africa -- was first passed by Congress in 2000 and since has been updated and renewed.

Bhatia said governments both in the United States and Africa "can make all manner of changes to tariffs and taxes. We can provide incentives. We can work to improve the business and regulatory environment and we are doing so. But in the end, those policies are only going to be successful if businesses, investors and entrepreneurs ... make the calculated decision to put capital and enterprises at risk by investing, by producing and by exporting."

Government policy-makers need direction and input from the private sector on ways to improve the U.S.-Africa trade climate, he said, and on which governments have adopted meaningful economic reforms. Bhatia said he is satisfied that "an increasing number of African countries" are making those needed reforms.

AGOA, now six years old, he said, has generated "impressive" numbers and as such has been very successful.

U.S. imports from sub-Saharan Africa have doubled since AGOA was launched in 2000, he said, and that is not just oil. Non-oil imports, such as apparel and agricultural goods, have jumped from \$1.4 billion in 2001 to \$2.9 billion in 2005.

Although AGOA is aimed at increasing African exports to the United States, it is evident, he said, that trade is a two-way street and, as such, U.S. exports to sub-Saharan Africa have nearly doubled since 2000.

NEXT STEPS

Bhatia said discussions at the ministerial level are long past debating the merits of trade, and now are dwelling on how fast trade can be developed and what the United States can do to open its markets further. "For someone who grew up in Africa, lived in Africa 25-30 years ago -- I can tell you it is like night and day. It is a different approach to the issue of development," he said.

Bhatia said he is not claiming that AGOA solely is responsible for such a change. "Clearly the New Partnership for Africa's Development [NEPAD], the [Group of Eight], the Blair Commission, and even the WTO [World Trade Organization] Doha negotiations have helped to shape this new appreciation of the role of trade."

Additionally, he said, AGOA has helped change the way American and African business people think about and relate to each other. While some problems and hurdles remain, such as poor infrastructure, tight credit and lack

of familiarity with the U.S. market, he said, “we have made progress in the last six years.”

He quickly cautioned, however, that AGOA has not yet achieved its full potential because AGOA countries have exported to the United States only a fraction of the 6400 products covered by AGOA and the General System of Preferences.

“Many AGOA-eligible countries have yet to take full advantage of AGOA,” he said, while noting that African countries must do more to improve their business environment to “remove the barriers that hinder trade.”

Overall, however, Bhatia said, he is encouraged by what he has seen on the part of many African governments.

Bhatia said the United States wants to continue to work with its African trade partners to conclude a new global trade agreement under the WTO. “The single greatest potential welfare-enhancing opportunity that the United States, Africa and the rest of the world have before them today is to successfully conclude the WTO Doha negotiations. A robust outcome to the DOHA round would be a major boost ... to Africa’s ability to use trade to bolster their economic development and to tackle poverty.”

Pleases Note: Most texts and transcript mentioned in the U.S. Mission Daily Bulletin are available via our homepage: <http://geneva.usmission.gov/>

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